

Message Text

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ACTION EB-08

INFO OCT-01 AF-10 ARA-10 EUR-12 EA-10 IO-13 ISO-00

GSA-02 INT-05 L-03 FRB-03 OMB-01 ITC-01 SP-02

USIA-06 AGRE-00 AID-05 CIAE-00 COME-00 INR-07

LAB-04 NSAE-00 OIC-02 SIL-01 STR-05 TRSE-00

CEA-01 SS-15 /127 W

-----129553 230451Z /14

R 222312Z DEC 77

FM AMEMBASSY CANBERRA

TO SECSTATE WASHDC 2038

INFO AMEMBASSY ACCRA

AMEMBASSY BELGRADE

AMEMBASSY CONAKRY

AMEMBASSY FREETOWN

AMEMBASSY GEORGETOWN

AMEMBASSY JAKARTA

AMEMBASSY KINGSTON

AMEMBASSY PARAMARIBO

AMEMBASSY PORT AU PRINCE

AMEMBASSY SANTO DOMINGO

AMEMBASSY ATHENS

AMEMBASSY BRASILIA

AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY CARACAS

USMISSION GENEVA

AMEMBASSY LONDON

AMEMBASSY OSLO

AMEMBASSY OTTAWA

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY THE HAGUE

AMEMBASSY TOKYO

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E.O. 11652: N/A

TAGS: ETRD, EMIN, AS

SUBJECT: INTERNATIONAL BAUXITE ASSOCIATION (BA) MEETING AS

VIEWED BY AUSTRALIANS

REF: (A) STATE 303083, (B) KINGSTON 7532, (C) KINGSTON 7439,

(D) STATE 293489

1. EMBOFF BRIEFLY DISCUSSED IBA MEETING WITH PETER FIELD, ASSISTANT SECRETARY, COMMODITY POLICY DIVISION, DEPARTMENT OF TRADE AND RESOURCES (UNTIL DECEMBER 19, DEPARTMENT OF OVERSEAS TRADE). FIELD SAID THAT HE ASSUMED DEPARTMENT NOW FULLY AWARE OF TREND IN GOA THINKING IN IBA, FOLLOWING DECEMBER 9 MEETING BETWEEN ASSISTANT SECRETARY KATZ AND THEN SECRETARY, DOT, DOUG MCKY.

2. ALTHOUGH EMBASSY WILL SEEK PROPITIOUS MOMENT TO REMIND GOA AUTHORITIES OF USG POSITION AS SPELLED OUT IN PARA 3 REFTEL A, MAY WE ASSUME THAT MESSAGE ALREADY CONVEYED DURING KATZ-MCKAY MEETING.

3. ALEX MCGOLDRICK, FIRST ASSISTANT SECRETARY, COMMODITY POLICY DIVISION, WITH WHOM WE ALSO TALKED BRIEFLY, ADMITTED THAT THERE HAD PERHAPS BEEN "SOME MOVEMENT" IN TRADITIONAL AUSTRALIAN POSITION. FIELD, HOWEVER, DENIED THAT THERE HAD BEEN ANY REAL MOVEMENT. BOTH WERE QUICK TO POINT OUT THE "SECOMENDATORY" NATURE OF THE PRICE MEASURE ON BAUXITE, TO EMPHASIZE THAT NO SIMILAR ACTION HAD BEEN TAKEN ON ALUMINA, THAT THE PRICE OF US DOLS 24 PER TONNE FOR BASE GRADE BAUXITE TO THE NORTH AMERICAN MARKET WAS SOME DOLS 4 BELOW CURRENT PRICE WHICH IS BOUND TO RISE, AND THAT MEETING TOOK COGNIZANCE OF "TRADITIONAL MARKET DIFFERENTIALS". AUSTRALIANS INCLINED SEE DOLS 24 PRICE IN TERMS OF GUIDELINES RATHER THAN IN TERMS OF IMPOSED OR IMPROBABLE MINIMUM PRICE.
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4. WE AGREE WITH REMARKS MADE BY PILBEAM OF AUSTRALIAN HIGH COMMISSION IN KINGSTON (KINGSTON 7532) THAT A REAL CHANGE OF AUSTRALIAN POLICY WOULD INVOLVE ANY ONE OR ALL OF FOLLOWING:
A) SUPPORT OF A BINDING IBA DECISION ON BAUXITE PRICE FIXING;
B) PRODUCTION QUOTAS; OR C) EXPORT QUOTAS. FROM OUR TALKS WITH MCGOLDRICK AND FIELD WE ALSO AGREE THAT NONE OF THESE ACTIONS ARE IN THE CARDS AT THE MOMENT. THIS BEING SAID, HOWEVER, THERE IS ALWAYS A POSSIBILITY THAT THE NEWLY FORMED DEPARTMENT OF TRADE AND RESOURCES, AND ITS NEW SECRETARY, JIM SCULLY MAY TAKE DIFFERENT TACK IN FUTURE. THE NEW DTR WILL INCORPORATE SIGNIFICANT ELEMENTS OF THE FORMER DEPARTMENT OF NATIONAL RESOURCES (DNR), OF WHICH SCULLY WAS SECRETARY. WE BELIEVE THAT DNR HAS LONG BEEN INCLINED TO SEE IN A VERY FAVORABLE LIGHT THE DEVELOPMENT OF "ORDERLY MARKETS" IN SUCH COMMODITIES AS URANIUM AND MINERAL SANDS AND WE STRONGLY SUSPECT THAT DNR HAS PARTICIPATED WITH LOCAL MINING INDUSTRY IN DISCUSSIONS AIMED AT BRINGING THIS ABOUT. DNR HAS, OF COURSE, ALWAYS OFFICIALLY DENIED SUCH ACTIONS. HOW MUCH OF THIS TYPE OF THINKING WILL PERMEATE NEW DTR REMAINS TO BE SEEN. ALSTON

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: BAUXITE, MEETINGS
Control Number: n/a
Copy: SINGLE
Sent Date: 22-Dec-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
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Format: TEL
From: CANBERRA
Handling Restrictions: n/a
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Legacy Key: link1977/newtext/t19771228/aaaaawvc.tel
Line Count: 114
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Litigation History:
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Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
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Original Previous Classification: n/a
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